VZCZCXRO1995
RR RUEHLN RUEHPOD RUEHVK RUEHYG
DE RUEHMO #1809 1761402
ZNR UUUUU ZZH
R 241402Z JUN 08
FM AMEMBASSY MOSCOW
TO RUEHBO/AMEMBASSY BOGOTA 0828
RUEHC/SECSTATE WASHDC 8753
INFO RUEHXD/MOSCOW POLITICAL COLLECTIVE
RHEHNSC/NSC WASHDC

UNCLAS MOSCOW 001809

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: PREL MCAP PGOV MASS ETRD EPET EINV

SUBJECT: COLOMBIAN VICE PRESIDENT SANTOS'S HISTORICAL VISIT TO RUSSIA

11. (U) Summary. Moscow officials and experts viewed Colombian Vice President Francisco Santos's visit to Russia as a turning point in the bilateral relationship. Santos used the visit to strengthen economic ties and to explore the possibility of increasing Russian arms sales to Colombia. He met with President Medvedev, Foreign Minister Lavrov, Defense Minister Serdyukov and Patriarch Alexey II and attended the 12th International Economic Forum in St. Petersburg. End summary.

Russia-Colombia Economic Relations

- <u>¶</u>2. (SBU) VP Santos' June 1-9 trip to Russia stressed economic cooperation. Denis Davydov, MFA Latin America Desk, told us June 11 that VP Santos's visit with Russia's leaders was unofficial in its nature, and stemmed from Minister of Economic Trade and Development Nabiullina's invitation to the 12th International Economic Forum in St. Petersburg. In St. Petersburg, Santos met with Foreign Minister Sergey Lavrov where both sides reaffirmed the need to deepen political dialogue that would lead to more intensive economic and investment cooperation. He also sought to strengthen ties between the Russian and Colombian business communities. In Moscow, VP Santos took part in an investment forum called "Colombia, A Mine of Opportunity." This forum included executives from Russia's leading Opportunity." energy companies such as LUKOIL, Rosneft, and Gazprom. Since 2002 LUKOIL Overseas has been exploring the Llanos Basin, Colombia's largest oil and gas basin, with Colombian company Ecopetrol. The Russians have expressed interest in engaging in ground and underground drilling to extract oil from unexplored regions of Colombia.
- 13. (SBU) Referring to Colombia's "competent administration, abundant natural resources, and economic potential," Davydov told us that Latin America is "coming out of the shadows" and is proving to be a prospective place for development. While Colombia is not at the top of Russia's priority list as evidenced by the lack of media coverage of VP Santos' visit, Russia is steadily seeking to deepen ties with the region, including recently opening embassies in Guatemala and Paraguay. The Russian government in general and the business community in particular would like to gain a more reciprocal trade relationship with Latin American countries since Russia exports less to Latin America than Latin America does to Russia.

Military Hardware Diversification

14. (U) Santos expressed interest in signing weapons contracts that would allow Colombia to maintain a balance of power in the region. Russian arms sales to Colombia have been insignificant in comparison to Venezuela, consisting of a few Mi-17 helicopters. According to press reports, Russia is looking to places such as Latin America for arms exports because long-time markets in China and India are "oversaturated with hardware" and are shifting toward high technologies.

- 15. (SBU) Davydov countered a report in news daily Kommersant that Santos would urge the GOR to curb arms exports to Venezuela in order to avoid an arms race in the region. Davydov said that the sale of arms to either Colombia or Venezuela would not result in a regional arms race and that Russia would continue military-technical cooperation with both countries. He noted that Russia sold military helicopters to Colombia as early as 1996-1997. Moreover, he characterized Russia-Colombia relations as strong since there were no conflicts or disputes among the two sides in their respective backyards. In addition, both countries supported each other in international fora such as the UN and cooperated on anti-terrorism and drug-trafficking. Furthermore, he posited that while Russia did not support the FARC or ALN, it had stopped short of designating them as terrorist organizations, as the EU had done. Davydov said Colombian drugs were present on the local Russian market and the GOR sought ways to cooperate with Colombia to address this issue.
- $\underline{\ \ \ }$ 6. (SBU) A mid-level Colombian embassy official told us Santos's visit had focused on economic relations and trade, and he had not discussed Venezuelan arms sales.

RUSSELL